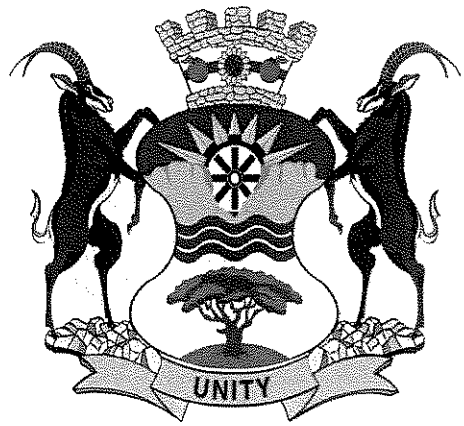

RUSTENBURG LOCAL MUNICIPALITY

ANNUAL FINANCIAL STATEMENTS

for the year ended

30 June 2007

RUSTENBURG LOCAL MUNICIPALITY
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RUSTENBURG LOCAL MUNICIPALITY

APPROVAL OF ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2007

As Accounting Officer, in terms of section 126(1)(a) of the Municipal Finance Management Act, Act no 56 of 2003, I am responsible for the preparation of the annual financial statements as set out on pages 1 to 41.. and which I have signed on behalf of the Rustenburg Local Municipality.

I certify, in terms of section 124(1) of the Municipal Finance Management Act, that the salaries, allowances and benefits of Councillors as disclosed in the notes to these annual financial statements are within the upper limits of the framework envisaged in section 210 of the Constitution, read with the Remuneration of Public Office Bearers Act (Act 20 of 1998) and the Minister of Provincial and Local Government's determination in accordance with Act 20 of 1998.

Mr. A.J.F. Boshoff
Municipal Manager

31/8/2007
Date

RUSTENBURG LOCAL MUNICIPALITY
STATEMENT OF FINANCIAL POSITION AT 30 JUNE 2007

	Note	2007 R	2006 R
NET ASSETS AND LIABILITIES			
Net assets		1,135,017,082	981,114,326
Housing Development Fund	1	63,771,481	36,224,505
Capital replacement reserve		234,943,847	277,051,987
Capitalisation reserve		246,508,261	307,583,755
Government grant reserve		309,374,833	269,797,315
Donations and public contribution reserves		11,762,500	11,075,989
Self-insurance reserve		16,178,140	14,633,430
Accumulated Surplus/(Deficit)		252,478,019	64,747,345
Non-current liabilities		109,650,935	91,361,043
Long-term liabilities	2	106,650,935	88,361,043
Non-current provisions	3	3,000,000	3,000,000
Current liabilities		227,089,133	193,334,850
Consumer deposits	4	18,589,226	16,814,517
Provisions	5	1,233,376	1,159,153
Creditors	6	135,509,535	104,428,123
Unspent conditional grants and receipts	7	33,701,542	45,463,165
VAT	8	36,345,351	24,355,117
Current portion of long-term liabilities	2	1,710,103	1,114,775
Total Net Assets and Liabilities		1,471,757,150	1,265,810,219
ASSETS			
Non-current assets		807,269,509	687,101,006
Property, plant and equipment	9	738,469,716	623,760,809
Investments	10	59,679,393	52,253,284
Long-term receivables	11	9,120,400	11,086,913
Current assets		664,487,640	578,709,214
Inventory	12	12,976,689	41,366,279
Consumer debtors	13	158,049,585	116,573,509
Other debtors	14	13,422,799	28,773,045
Current portion of long-term receivables	11	435,725	1,482,120
Short-term fixed deposits	15	329,594,080	320,833,929
Bank balances and cash	16	150,008,763	69,680,331
Total Assets		1,471,757,150	1,265,810,219

RUSTENBURG LOCAL MUNICIPALITY
STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2007

	Note	2007 R	2006 R
REVENUE			
Property rates	17	86,741,755	79,712,719
Service charges	18	652,733,542	565,372,848
Rental of facilities and equipment		39,365,098	6,090,137
Interest earned - external investments		43,085,501	27,058,020
Interest earned - outstanding debtors		31,692,624	21,533,872
Fines		4,340,411	4,474,589
Licences and permits		4,321,819	3,886,017
Income from Agency services		7,090,569	6,596,897
Government grants and subsidies	19	290,965,088	283,567,443
Other income	20	23,845,311	24,302,380
Gains on disposal of property, plant and equipment		7,329,948	-
Less: Income foregone		(885,864)	(2,384,619)
Total Revenue		1,190,625,802	1,020,210,303
EXPENDITURE			
Employee related costs	21	167,835,596	152,773,146
Remuneration of Councillors	22	13,308,449	11,606,906
Bad debts provision		101,275,636	55,000,000
Collection costs		11,034,933	1,051,106
Depreciation		64,777,602	51,135,395
Repairs and maintenance		20,158,301	21,379,133
Interest paid	23	12,939,220	11,007,869
Bulk purchases	24	414,944,923	378,228,239
Contracted services		47,273,428	47,031,338
Grants and subsidies paid	25	161,667	91,200
General expenses	26	206,052,484	311,774,055
Loss on disposal of property, plant and equipment		-	4,641,625
Provisions to leave and insurance		5,598,422	-
Total Expenditure		1,065,360,661	1,045,720,012
SURPLUS/(DEFICIT)		125,265,141	(25,509,709)
SURPLUS/(DEFICIT) FOR THE YEAR		125,265,141	(25,509,709)

Refer to Appendix E(1) for the comparison with the approved budget

RUSTENBURG LOCAL MUNICIPALITY

STATEMENT OF CHANGES IN NET ASSETS FOR THE YEAR ENDED 30 JUNE 2007

	Pre-GAMAP Reserves and Funds R	Housing Develop. Fund (Internal) R	Housing Develop. Fund (Grant) R	Capital Replacement Reserve R	Capitalisation Reserve R	Government Grant Reserve R	Donations and Public Contribution Reserve R	Self-Insurance Reserve R	Accumulated Surplus/ (Deficit) R	Total R
2006										
Balance at 1 July 2005	-	6,602,752	52,360,798	261,519,324	307,583,755	191,795,610	12,229,299	13,956,396	149,886,703	995,934,637
Correction of error	-								19,656,227	19,656,227
Change in accounting policy									14,750,968	14,750,968
Restated balance	-	6,602,752	52,360,798	261,519,324	307,583,755	191,795,610	12,229,299	13,956,396	184,293,898	1,030,341,832
Surplus/(deficit) for the year									(25,509,709)	(25,509,709)
Transfer to CRR				15,532,663					(15,532,663)	-
PPE purchased										-
Capital grants used to purchase PPE						93,161,414			(93,161,414)	-
Donated/contributed PPE										-
Contribution to Insurance Reserve								1,590,932	(1,590,932)	-
Insurance claims processed								(913,898)	-	(913,898)
Transfer to Housing Development Fund		64,854	(20,464,078)						(64,854)	(20,464,078)
Asset disposals		(2,339,821)				(1,378,187)			1,378,187	(2,339,821)
Offsetting of depreciation						(13,781,522)	(1,153,310)		14,934,832	-
Balance at 30 June 2006	-	**4,327,785**	**31,896,720**	**277,051,987**	**307,583,755**	**269,797,315**	**11,075,989**	**14,633,430**	**64,747,345**	**981,114,326**
2007										
Correction of errors - various									3,940,214	3,940,214
Correction of error - Contributions				19,284,218					(19,284,218)	-
Correction of error - off-setting of depreciation:2006					(36,383,085)				36,383,085	-
Change in accounting policy									-	-
Restated balance	-	**4,327,785**	**31,896,720**	**296,336,205**	**271,200,670**	**269,797,315**	**11,075,989**	**14,633,430**	**85,786,426**	**985,054,540**
Surplus/(deficit) for the year									125,265,141	125,265,141
Transfer to CRR				4,824,732					(4,824,732)	-
Capital grants used to purchase PPE				(90,902,422)					90,902,422	-
Contribution from Acc.Surplus: Assets purchased					7,235,914	59,333,583	2,014,590		(68,584,087)	-
Donated/contributed PPE										-
Contribution to Insurance Reserve								593,244		593,244
Contribution from Insurance Reserve								(100,000)		(100,000)
Insurance claims processed								(252,372)		(252,372)
Nett increase in Housing Development Fund			24,456,529							24,456,529
Transfer to Housing Development Fund			2,704,841						(2,704,841)	-
Contributions to Funds and Reserves-Interest		385,606		24,685,332				1,303,838	(26,374,776)	-
Asset disposals									-	-
Offsetting of depreciation					(31,928,322)	(19,756,065)	(1,328,079)		53,012,466	-
Balance at 30 June 2006	-	**4,713,391**	**59,058,090**	**234,943,847**	**246,508,262**	**309,374,833**	**11,762,500**	**16,178,140**	**252,478,019**	**1,135,017,082**

RUSTENBURG LOCAL MUNICIPALITY

CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2007

	Note	2007 R	2006 R
CASH FLOW FROM OPERATING ACTIVITIES			
Cash receipts from ratepayers, government and other		1,154,513,060	1,061,769,116
Cash paid to suppliers and employees		(971,963,874)	(1,005,309,229)
Cash generated from/(utilised in) operations	28	182,549,186	56,459,886
Interest received		74,778,125	48,591,892
Interest paid		(12,939,220)	(11,007,869)
NET CASH FROM OPERATING ACTIVITIES		244,388,091	94,043,909
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment		(179,486,509)	(146,895,023)
Proceeds on disposal of property, plant and equipment		7,940,273	5,246,091
(Increase)/decrease in non-current receivables		3,012,909	6,458,845
Increase in non-current investments		(7,426,109)	(4,171,360)
NET CASH FROM INVESTING ACTIVITIES		(175,959,437)	(139,361,447)
CASH FLOWS FROM FINANCING ACTIVITIES			
New loans raised/(repaid)		18,885,219	19,469,818
Increase in consumer deposits		1,774,710	1,630,614
NET CASH FROM FINANCING ACTIVITIES		20,659,929	21,100,432
NET INCREASE IN CASH AND CASH EQUIVALENTS		**89,088,583**	**(24,217,106)**
Cash and cash equivalents at the beginning of the year	29	**390,514,260**	**366,297,154**
Cash and cash equivalents at the end of the year	29	**479,602,843**	**390,514,260**
		89,088,584	**(24,217,106)**

RUSTENBURG LOCAL MUNICIPALITY
ACCOUNTING POLICIES TO THE ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2007

1. BASIS OF PRESENTATION

The annual financial statements have been prepared on an accrual basis of accounting and are in accordance with historical cost convention, except for the revaluation of land and buildings, which are carried at fair value.

In accordance with section 122(3) of the Municipal Finance Management Act (Act No. 56 of 2003), the Municipality has adopted Standards of GAMAP and GRAP issued by the Accounting Standards Board during the financial year.

GAMAP and GRAP standards are fundamentally different to the fund accounting policies adopted in previous financial years. Comparative amounts have been restated retrospectively to the extent possible. The effect of the change in accounting policy arising from the implementation of GAMAP and GRAP is set out in the notes to the Financial Statements.

The Municipality may have transactions, events or balances that are outside the ambit of GAMAP and GRAP but which are included in Standards of International Public Sector Accounting Standards (IPSAS) issued by the International Federation of Accountants – Public Sector Committee, International Accounting Standards (IAS) issued by the International Accounting Standards Board or Generally Accepted Accounting Practice issued by the South African Accounting Practices Board and the South African Institute of Chartered Accountants. The Municipality has not complied with the measurement, recognition and disclosure requirements of those accounting standards.

The principal accounting policies adopted in the preparation of these annual financial statements are set out below.

Assets, liabilities, revenues and expenses have not been offset except when offsetting is required or permitted by a Standard of GAMAP or GRAP.

2. PRESENTATION CURRENCY

These annual financial statements are presented in South African Rand.

3. GOING CONCERN ASSUMPTION

These annual financial statements have been prepared on a going concern basis.

4. HOUSING DEVELOPMENT FUND

The Housing Development Fund was established in terms of the Housing Act, (Act No. 107 of 1997). Loans from national and provincial government used to finance housing selling schemes undertaken by the Municipality were extinguished on 1 April 1998 and transferred to a Housing Development Fund. Housing selling schemes both complete and in progress as at 1 April 1998, were also transferred to the Housing Development Fund. In terms of the Housing Act, all proceeds from housing developments, which include rental income and sales of houses, must be paid into the Housing Development Fund. Monies standing to the credit of the Housing Development Fund can be used only to finance housing developments within the municipal area subject to the approval of the Provincial MEC responsible for housing.

5. RESERVES

5.1 Capital Replacement Reserve (CRR)

In order to finance the provision of infrastructure and other items of property, plant and equipment from internal sources, amounts are transferred from the accumulated surplus/ (deficit) to the CRR. A corresponding amount will be transferred to a designated CRR bank or investment account when the annual financial statements that have been prepared on GAMAP/GRAP principles are tabled for the first time before Council. The cash in the designated CRR bank account can only be utilised to finance items of property, plant and equipment. The CRR is reduced and the accumulated surplus/ (deficit) are credited by a corresponding amount when the amounts in the CRR are utilised.

The amount transferred to the CRR is based on the municipality's need to finance future capital projects included in the Integrated Development Plan.

5.2 Capitalisation Reserve

On the implementation of GAMAP/GRAP, the balance on certain funds, created in terms of the various Provincial Ordinances applicable at the time, that had historically been utilised for the acquisition of items of property, plant and equipment have been transferred to a Capitalisation Reserve instead of the accumulated surplus/ (deficit) in terms of a directive (budget circular) issued by National Treasury. The purpose of this Reserve is to promote consumer equity by ensuring that the future depreciation expenses that will be incurred over the useful lives of these items of property, plant and equipment are offset by transfers from this reserve to the accumulated surplus/ (deficit).
The balance on the Capitalisation Reserve equals the carrying value of the items of property, plant and equipment financed from the former legislated funds. When items of property, plant and equipment are depreciated, a transfer is made from the Capitalisation Reserve to the accumulated surplus/ (deficit).

When an item of property, plant and equipment is disposed, the balance in the Capitalisation Reserve relating to such item is transferred to the accumulated surplus/ (deficit).

5.3 Government Grant Reserve

When items of property, plant and equipment are financed from government grants, a transfer is made from the accumulated surplus/(deficit) to the Government Grants Reserve equal to the Government Grant recorded as revenue in the Statement of Financial Performance in accordance with a directive (budget circular) issued by National Treasury. When such items of property, plant and equipment are depreciated, a transfer is made from the Government Grant Reserve to the accumulated surplus/ (deficit). The purpose of this policy is to promote community equity by ensuring that the future depreciation expenses that will be incurred over the useful lives of government grant funded items of property, plant and equipment are offset by transfers from this reserve to the accumulated surplus/ (deficit)
When an item of property, plant and equipment financed from government grants is disposed, the balance in the Government Grant Reserve relating to such item is transferred to the accumulated surplus/ (deficit).

5.4 Donations and Public Contributions Reserve

When items of property, plant and equipment are financed from public contributions and donations, a transfer is made from the accumulated surplus/(deficit) to the Donations and Public Contributions Reserve equal to the donations and public contributions recorded as revenue in the Statement of Financial Performance in accordance with a directive (budget circular) issued by National Treasury. When such items of property, plant and equipment are depreciated, a transfer is made from the Donations and Public Contributions Reserve to the accumulated surplus/ (deficit). The purpose of this policy is to promote community equity and facilitate budgetary control by ensuring that sufficient funds are set aside to offset the future depreciation charges that will be incurred over the estimated useful life of the item of property, plant and equipment financed from donations and public contributions.

When an item of property, plant and equipment financed from government grants is disposed, the balance in the Donations and Public Contributions Reserve relating to such item is transferred to the accumulated surplus/ (deficit).

5.5 Self-Insurance Reserve

The Municipality has a Self-Insurance Reserve to set aside amounts to offset potential losses or claims that cannot be insured externally (adapt to specific circumstances). The balance of the Self-Insurance Reserve is determined based on 5% of the insurance risk carried by the Municipality (state basis of determining balance of self-insurance reserve) and past claims history in terms of a Council Resolution XX and is reinstated or increased by a transfer from the accumulated surplus/ (deficit). The balance of the self-insurance fund is invested in short-term cash investments.

Claims are settled by transferring a corresponding amount from the self-insurance reserve to the accumulated surplus.

5.6 COID Reserve

The Municipality has been exempted from making contributions to the Compensation Commissioner for Occupational Injuries and Diseases (COID). In terms of the exemption from the Compensation Commissioner, the Municipality has established a COID reserve to offset claims from employees.

Amounts are transferred to the COID Reserve from the accumulated surplus based on the statutory rate of contributions set out in the Compensation for Occupational Injuries and Diseases Act, (Act No. 130 of 1993) as well as additional amounts deemed necessary to ensure that the balance of the Reserve is adequate to offset potential claims.

5.7 COID Reserve (continued)

The balance of the COID Reserve is based on 0.75% of the annual remuneration of employees that qualify for COID benefits. Individual claims greater than R500 000 are reinsured.

Claims are paid as determined by the Compensation Commissioner. Claims are settled by transferring a corresponding amount from the COID reserve to the accumulated surplus.

5.8 Revaluation Reserve

The surplus arising from the revaluation of land and buildings is credited to a non-distributable reserve. The revaluation surplus is realised as revalued buildings are depreciated, through a transfer from the revaluation reserve to the accumulated surplus/ (deficit). On disposal, the net revaluation surplus is transferred to the accumulated surplus/ (deficit) while gains or losses on disposal, based on revalued amounts, are credited or charged to the Statement of Financial Performance.

6. PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment, is stated at cost, less accumulated depreciation, except land and buildings, which are revalued as indicated below. Heritage assets, which are culturally significant resources and which are shown at cost, are not depreciated owing to the uncertainty regarding their estimated useful lives. Similarly, land is not depreciated as it is deemed to have an indefinite life.

Where items of property, plant and equipment have been impaired, the carrying value is adjusted by the impairment loss, which is recognised as an expense in the period that the impairment is identified except where the impairment reverses a previous revaluation.

Where impaired land and buildings are revalued, the increase in value of land and buildings are recognised as revenue to the extent that it reverses the impairment loss previously recognised as an expense.

The cost of an item of property, plant and equipment acquired in exchange for a non-monetary asset or monetary assets, or a combination of monetary and non-monetary assets was measured at its fair value. If the acquired item could not be measured at its fair value, its cost was measured at the carrying amount of the asset given up.

Subsequent expenditure is capitalised when the recognition and measurement criteria of an asset are met.

Depreciation is calculated on cost, using the straight-line method over the estimated useful lives of the assets. The annual depreciation rates are based on the following estimated asset lives:-

	Years	*Other*	Years
Infrastructure			
Roads and Paving	30	Buildings	30
Pedestrian Malls	30	Specialist vehicles	10
Electricity	20-30	Other vehicles	5
Water	15-20	Office equipment	3-7
Sewerage	15-20	Furniture and fittings	7-10
Housing	30	Watercraft	15
		Bins and containers	5
Community		Specialised plant and equipment	10-15
Buildings	30	Other items of plant and equipment	2-5
Recreational Facilities	20-30	Landfill sites	15
Security	5		

The gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying value and is recognised in the Statement of Financial Performance.

The Municipality has an obligation to rehabilitate its landfill sites in terms of its licence stipulations. Provision is made for this obligation in accordance with the Municipality's accounting policy on non-current provisions – see Accounting Policy 14 on Provisions.

Where the carrying amount of an item of property, plant and equipment is greater than the estimated recoverable amount, it is written down immediately to its recoverable amount and an impairment loss is charged to the Statement of Financial Performance.

7. REVALUATION OF LAND AND BUILDINGS

Land and buildings are stated at historical cost and no revaluation is done.

8. INVESTMENTS

8.1 Financial Instruments

Financial instruments, which include listed government bonds, unlisted municipal bonds, fixed deposits and short-term deposits invested in registered commercial banks, are stated at cost.

Where investments have been impaired, the carrying value is adjusted by the impairment loss, which is recognised as an expense in the period that the impairment is identified.

On disposal of an investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to the Statement of Financial Performance.

8.2 Investment in Associate

An associate is an entity over which the Municipality is in a position to exercise significant influence, through participation in the financial and operating policy decisions of the investee.

The results and assets and liabilities of associates are incorporated in these financial statements using the equity method of accounting. The carrying value of the investment in associates is adjusted for the municipality's share of operating surpluses/ (deficits) less any dividends received.

Where the Municipality or its Municipal Entities transact with an associate, unrealised gains and losses are eliminated to the extent of the Municipality's or its Municipal Entities' interest in the relevant associate, except where unrealised losses provide evidence of an impairment of the asset transferred.

Where the Municipality is no longer able to exercise significant influence over the associate the equity method of accounting is discontinued.

The carrying amounts of such investments are reduced to recognise any decline, other than a temporary decline, in the value of individual investments.

8.3 Investment in Municipal Entities

Investments in municipal entities under the ownership control of the Municipality are carried at cost. Separate consolidated financial statements are prepared to account for the Municipality's share of net assets and post-acquisition results of these investments.

8.4 Interests in Joint Ventures

A joint venture is a contractual arrangement whereby the Municipality and other parties undertake an economic activity that is subject to joint control. Interests in jointly controlled entities are stated at cost.

9. INVENTORIES

Consumable stores, raw materials, work-in-progress and finished goods are valued at the lower of cost and net realisable value. In general, the basis of determining cost is the first-in, first-out method.

Unsold properties are valued at the lower of cost and net realisable value on a weighted average cost basis. Direct costs are accumulated for each separately identifiable development. Costs also include a proportion of overhead costs.

Redundant and slow-moving inventories are identified and written down from cost to net realisable value with regard to their estimated economic or realisable values.

10. ACCOUNTS RECEIVABLE

Accounts receivable are carried at anticipated realisable value. An estimate is made for doubtful receivables based on a review of all outstanding amounts at year-end. Bad debts are written off during the year in which they are identified. Amounts that are receivable within 12 months from the reporting date are classified as current.

11. TRADE CREDITORS

Trade creditors are stated at their nominal value.

12. REVENUE RECOGNITION

12.1 Revenue from Exchange Transactions

Service charges relating to electricity and water are based on consumption. Meters are read on a quarterly basis and are recognised as revenue when invoiced. Provisional estimates of consumption are made monthly when meter readings have not been performed. The provisional estimates of consumption are recognised as revenue when invoiced. Adjustments to provisional estimates of consumption are made in the invoicing period in which meters have been read. These adjustments are recognised as revenue in the invoicing period. Revenue from the sale of electricity prepaid meter cards are recognised at the point of sale.

Service charges relating to refuse removal are recognised on a monthly basis in arrears by applying the approved tariff to each property that has improvements. Tariffs are determined per category of property usage, and are levied monthly based on the number of refuse containers on each property, regardless of whether or not all containers are emptied during the month.

Service charges from sewerage and sanitation are based on the number of sewerage connections on each developed property using the tariffs approved from Council and are levied monthly.

Interest and rentals are recognised on a time proportion basis.

Dividends are recognised on the date that the Municipality becomes entitled to receive the dividend.

Revenue arising from the application of the approved tariff of charges is recognised when the relevant service is rendered by applying the relevant gazetted tariff. This includes the issuing of licences and permits.

Income for agency services is recognised on a monthly basis once the income collected on behalf of agents has been quantified. The income recognised is in terms of the agency agreement.

Finance income from the sale of housing by way of instalment sales agreements or finance leases is recognised on a time proportion basis.

Revenue from the sale of goods is recognised when the risk is passed to the consumer.

Revenue from public contributions is recognised when all conditions associated with the contribution have been met or where the contribution is to finance property, plant and equipment, when such items of property, plant and equipment is brought into use. Where public contributions have been received but the municipality has not met the condition, a liability is recognised

12.2 Revenue from non-exchange transactions

Revenue from property rates is recognised when the legal entitlement to this revenue arises. Collection charges are recognised when such amounts are legally enforceable. Penalty interest on unpaid rates is recognised on a time proportion basis.

Revenue from Regional Levies, both those based on turnover as well as those based on remuneration, is recognised on the payment due basis. Where declarations have not been submitted, estimated levies based on average data is accrued. Estimates are reviewed regularly to ensure that average data is appropriate.

Fines constitute both spot fines and summonses. Revenue from spot fines and summonses is recognised when payment is received, together with an estimate of spot fines and summonses that will be received based on past experience of amounts collected.

Donations are recognised on a cash receipt basis or where the donation is in the form of property, plant and equipment, when such items of property, plant and equipment are brought into use.

Contributed property, plant and equipment are recognised when such items of property, plant and equipment are brought into use.

Revenue from the recovery of unauthorised, irregular, fruitless and wasteful expenditure is based on legislated procedures, including those set out in the Municipal Finance Management Act (Act No.56 of 2003) and is recognised when the recovery thereof from the responsible councillors or officials is virtually certain.

13. CONDITIONAL GRANTS AND RECEIPTS

Revenue received from conditional grants, donations and funding are recognised as revenue to the extent that the Municipality has complied with any of the criteria, conditions or obligations embodied in the agreement. To the extent that the criteria, conditions or obligations have not been met a liability is recognised.

14. PROVISIONS

Provisions are recognised when the Municipality has a present or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the provision can be made. Provisions are reviewed at reporting sheet date and adjusted to reflect the current best estimate. Non-current provisions are discounted to the present value using a discount rate based on the average cost of borrowing to the Municipality.

15. CASH AND CASH EQUIVALENTS

Cash includes cash on hand and cash with banks. Cash equivalents are short-term highly liquid investments that are held with registered banking institutions with maturities of three months or less and are subject to an insignificant risk of change in value.

For the purposes of the cash flow statement, cash and cash equivalents comprise cash on hand, deposits held on call with banks and investments in financial instruments, net of bank overdrafts.

Bank overdrafts are recorded based on the facility utilised. Finance charges on bank overdrafts are expensed as incurred.

16. UNAUTHORISED EXPENDITURE

Unauthorised expenditure is expenditure that has not been budgeted, expenditure that is not in terms of the conditions of an allocation received from another sphere of government, municipality or organ of state and expenditure in the form of a grant that is not permitted in terms of the Municipal Finance Management Act (Act No.56 of 2003). Unauthorised expenditure is accounted for as an expense in the Statement of Financial Performance and where recovered, it is subsequently accounted for as revenue in the Statement of Financial Performance.

17. IRREGULAR EXPENDITURE

Irregular expenditure is expenditure that is contrary to the Municipal Finance Management Act (Act No.56 of 2003), the Municipal Systems Act (Act No.32 of 2000), and the Public Office Bearers Act (Act No. 20 of 1998) or is in contravention of the Municipality's supply chain management policy. Irregular expenditure excludes unauthorised expenditure. Irregular expenditure is accounted for as expenditure in the Statement of Financial Performance and where recovered, it is subsequently accounted for as revenue in the Statement of Financial Performance.

18. FRUITLESS AND WASTEFUL EXPENDITURE

Fruitless and wasteful expenditure is expenditure that was made in vain and would have been avoided had reasonable care been exercised. Fruitless and wasteful expenditure is accounted for as expenditure in the Statement of Financial Performance and where recovered, it is subsequently accounted for as revenue in the Statement of Financial Performance.

19. FOREIGN CURRENCIES

Transactions in foreign currencies are initially recorded at the prevailing exchange rate on the dates of the transactions. Monetary assets and liabilities denominated in such foreign currencies are retranslated at the rates prevailing at the reporting date. Exchange differences are included in the Statement of Financial Performance.

20. LEASES

The Municipality as Lessee

Leases are classified as finance leases where substantially all the risks and rewards associated with ownership of an asset are transferred to the municipality. Property, plant and equipment subject to finance lease agreements are capitalised at their cash cost equivalent and the corresponding liabilities are raised. The cost of the item of property, plant and equipment is depreciated at appropriate rates on the straight-line basis over its estimated useful life. Lease payments are allocated between the lease finance cost and the capital repayment using the effective interest rate method. Lease finance costs are expensed when incurred.

Operating leases are those leases that do not fall within the scope of the above definition. Operating lease rentals are expensed as they become due.

The Municipality as Lessor

Amounts due from lessees under finance leases or instalment sale agreements are recorded as receivables at the amount of the Municipality's net investment in the leases. Finance lease or instalment sale income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Municipality's net investment outstanding in respect of the leases or instalment sale agreements.

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease.

21. RETIREMENT BENEFITS

The municipality provides retirement benefits for its employees and councillors. The contributions to fund obligations for the payment of retirement benefits are charged against revenue in the year they become payable. The defined benefit funds, which are administered on a provincial basis, are actuarially valued triennially on the projected unit credit method basis. Deficits identified are recognised as a liability and are recovered through lump sum payments or increased future contributions on a proportional basis to all participating municipalities.

22. BORROWING COSTS

Borrowing costs are recognised as an expense in the Statement of Financial Performance.

23. COMPARATIVE INFORMATION

20.1 Current year comparatives:

Budgeted amounts have been included in the annual financial statements for the current financial year only.

20.2 Prior year comparatives:

When the presentation or classification of items in the annual financial statements is amended, prior period comparative amounts are reclassified. The nature and reason for the reclassification is disclosed.

	2007 R	2006 R
1 HOUSING DEVELOPMENT FUND		
Housing Development Fund	**63,771,481**	**36,224,505**
Unappropriated Surplus	59,058,090	31,896,720
Loans extinguished by Government on 1 April 1998 (Old Housing Development Fund)	4,713,390	4,327,785
The Housing Development Fund is represented by the following assets and liabilities		
Bank Account	55,513,999	21,206,334
Interest receivable	-	231,123
Debtors - VAT claimable	2,015,769	3,906,133
Creditors-housing	(2,205,405)	(68,400)
Other	(169,053)	-
Housing - retention	(2,869,834)	-
Adjustments to VAT pay over	151,085	-
Amount to be carried from Primary Account to ringfence housing	6,621,529	6,621,529
Total Housing Development Fund Assets and Liabilities	**59,058,090**	**31,896,720**
2 LONG-TERM LIABILITIES		
Annuity loans		
- Liberty life	-	2,000
Other long-term loans		
- INCA Loan	50,000,000	50,000,000
- ABSA Loan - First draw down	18,883,046	19,473,818
- ABSA Loan - Second draw down	19,477,991	20,000,000
- ABSA Loan - Third and final draw down	20,000,000	
Sub-total	108,361,037	89,475,818
Less : Current portion transferred to current liabilities	1,710,103	1,114,775
- Liberty life	-	2,000
- INCA Loan	-	-
- ABSA Loan - First draw down - 30 June 2005	645,103	590,772
- ABSA Loan - Second draw down - 30 June 2006	567,675	522,003
- ABSA Loan - Third and final draw down - 30 June 2007	497,325	-
Total External Loans	**106,650,935**	**88,361,043**

Refer to Appendix A for more detail on long-term liabilities

Annuity Loans
The annuity loan beared interest at 9.5% and was redeemed on 30 September 2006

INCA Loan
Bears interest at 16.5% per annum and will be fully redeemed with a redemption fund investment made at INCA specifically for this purpose. The loan will be re-deemed on 23 April 2009. Refer to note on investments on the current value of the redemption fund.

	2007 R	2006 R
ABSA Loan		
Bears respectively interest from first draw down at 11.92%, 12.02% and 12.14% and is repayable within 15 years from drawdown.		

3 NON-CURRENT PROVISIONS

Provision for long-service	3,000,000	3,000,000
Total Non-Current Provisions	**3,000,000**	**3,000,000**

The long-service award is payable after every 5 years of continuous service.
The provision is an estimate of the long-service based on historical staff turnover.

The movement in the provision for long-service awards are reconciled as follows: -

Balance at beginning of year	4,159,153	-
Contributions to provision	74,224	4,159,153
Expenditure incurred	-	-
Increase in provision due to discounting	-	-
Transfer to current provisions	(1,233,376)	(1,159,153)
Balance at end of year	**3,000,000**	**3,000,000**

4 CONSUMER DEPOSITS

Electricity and Water No interest are paid on consumer deposits received.	**18,589,226**	**16,814,517**
Guarantees held in lieu of Electricity and Water Deposits	**28,097,117**	**30,763,384**

5 PROVISIONS

Current portion of long-service provision (see note 3 above)	1,233,376	1,159,153
Total Provisions	**1,233,376**	**1,159,153**

The movement in the current portion of long-service provisions are reconciled as follows:

Balance at beginning of year	1,159,153	-
Transfer from non-current	74,224	1,159,153
Contributions to provision	-	-
Expenditure incurred	-	-
Balance at end of year	**1,233,376**	**1,159,153**

6 CREDITORS

Trade creditors	79,642,002	49,519,728
Payments received in advance	8,906,913	5,459,531
Retentions	9,253,170	5,358,176
Staff leave	16,579,145	14,114,766
Unspecified income/unallocated grants	12,036,941	10,667,728
Other creditors	9,091,364	19,308,193
Total Creditors	**135,509,535**	**104,428,123**

	2007 R	2006 R
7 UNSPENT CONDITIONAL GRANTS AND RECEIPTS		
7.1 Conditional Grants from other spheres of Government		
MIG Grants	5,689,134	17,235,480
Bojanala Platinum District Municipality	6,139,012	10,077,326
Finance Management Grant	3,462,676	3,829,360
Public Transport Infrastructure	2,578,876	4,000,000
Other conditional grants		6,274,079
DASA - Library Grant	5,488,645	
Umsobomvu Youth Fund	130,205	
FIFA 2010 World Cup	4,057,991	
MSIP Grant	111,275	
IMMIS Grant	159,035	
DWAF Greening Strategy	100,000	
Magalies Water	1,200,000	
SEED funding	1,123,426	
DWAF - WSDP	497,580	
DME - Boitekong	675,810	
IDP Grant	114,103	
7.2 Other Conditional Receipts		
Public contributions	2,173,774	4,046,920
Total Conditional Grants and Receipts	33,701,542	45,463,165

See Note 19 for reconciliation of grants from other spheres of government.
These amounts are not yet invested in a ring-fenced investment until utilized.

8 VAT

Net VAT payable	36,345,351	24,355,117

VAT is payable on the receipts basis. Only once payment is received from debtors is VAT paid over to SARS.

9. PROPERTY, PLANT AND EQUIPMENT

30 JUNE 2007

Reconciliation of Carrying Value	Land and Buildings	Infra-structure	Community	Heritage	Other	Housing (Rental Old Age)	Leased infrastructure	Total
	R	R	R	R	R	R	R	R
Carrying values at 1 July 2006	70,993,051	441,549,592	55,008,743	429,115	52,073,475	3,706,833	-	623,760,809
Cost after reclassification	97,921,918	731,693,945	95,541,968	429,115	122,165,362	4,753,493	-	1,052,505,801
Cost	102,188,996	691,166,480	92,261,315	466,589	161,640,495	4,781,926	-	1,052,505,801
Correction of reclassification	(4,267,078)	40,527,465	3,280,653	(37,474)	(39,475,133)	(28,433)	-	-
Revaluation	-	-	-	-	-	-	-	-
Accumulated depreciation after reclassification	26,928,867	290,144,353	40,533,225	-	70,091,887	1,046,660	-	428,744,992
Cost	29,530,816	284,418,331	38,233,706	8,843	75,499,920	1,053,376	-	428,744,992
Correction of reclassification	(2,601,949)	5,726,022	2,299,519	(8,843)	(5,408,033)	(6,716)	-	-
Revaluation	-	-	-	-	-	-	-	-
Acquisitions	10,108,275	123,077,993	2,402,418	-	43,897,823	-	-	179,486,509
Capital under Construction	-	-	-	-	-	-	-	-
Increases/decreases in revaluation	-	-	-	-	-	-	-	-
Depreciation	2,185,610	42,880,445	3,790,414	-	15,777,729	143,404	-	64,777,602
- based on cost	2,185,610	42,880,445	3,790,414	-	15,777,729	143,404	-	64,777,602
- based on revaluation	-	-	-	-	-	-	-	-
Carrying value of disposals	-	-	-	-	-	-	-	-
Cost/revaluation	-	-	-	-	-	-	-	-
Accumulated depreciation	-	-	-	-	-	-	-	-
Impairment losses	-	-	-	-	-	-	-	-
Other movements	-	-	-	-	-	-	-	-
Carrying values at 30 June 2007	78,915,716	521,747,140	53,620,747	429,115	80,193,569	3,563,429	-	738,469,716
Cost	108,030,193	854,771,938	97,944,386	429,115	166,063,185	4,753,493	-	1,231,992,310
Revaluation	-	-	-	-	-	-	-	-
Accumulated depreciation	29,114,477	333,024,798	44,323,639	-	85,869,616	1,190,064	-	493,522,594
- Cost	29,114,477	333,024,798	44,323,639	-	85,869,616	1,190,064	-	493,522,594
- Revaluation	-	-	-	-	-	-	-	-

30 JUNE 2006

Reconciliation of Carrying Value	Land and Buildings	Infra-structure	Community	Heritage	Other	Housing (Rental Old Age)	Leased infrastructure	Total
	R	R	R	R	R	R	R	R
Carrying values at 1 July 2005	75,884,393	339,366,721	45,298,740	29,880	73,332,540	3,976,623	-	537,888,897
Cost	103,253,604	593,162,928	80,411,282	37,474	139,049,349	4,888,909	-	920,803,546
Correction of error	-	-	-	-	-	-	-	-
Revaluation	-	-	-	-	-	-	-	-
Accumulated depreciation	27,369,211	253,796,207	35,112,542	7,594	65,716,809	912,286	-	382,914,649
- Cost	27,369,211	253,796,207	35,112,542	7,594	65,716,809	912,286	-	382,914,649
- Revaluation	-	-	-	-	-	-	-	-
Acquisitions	4,417,897	101,517,071	12,791,066	429,115	27,739,874	-	-	146,895,023
Capital under Construction	-	-	-	-	-	-	-	-
Increases/decreases in revaluation	-	-	-	-	-	-	-	-
Depreciation	2,226,704	31,632,107	3,264,396	1,249	13,866,283	144,656	-	51,135,395
- based on cost	2,226,704	31,632,107	3,264,396	1,249	13,866,283	144,656	-	51,135,395
- based on revaluation	-	-	-	-	-	-	-	-
Carrying value of disposals	(5,417,406)	(2,503,536)	(797,801)	-	(1,065,556)	(103,417)	-	(9,887,716)
Cost/revaluation	(5,482,505)	(3,513,519)	(941,033)	-	(5,148,728)	(106,983)	-	(15,192,788)
Accumulated depreciation	65,099	1,009,983	143,232	-	4,083,172	3,566	-	5,305,052
Impairment losses	-	-	-	-	-	-	-	-
Other movements	-	-	-	-	-	-	-	-
Carrying values at 30 June 2006	72,658,180	406,748,149	54,027,609	457,746	86,140,575	3,728,550	-	623,760,809
Cost	102,188,996	691,166,480	92,261,315	466,589	161,640,495	4,781,926	-	1,052,505,801
Revaluation	-	-	-	-	-	-	-	-
Accumulated depreciation	29,530,816	284,418,331	38,233,706	8,843	75,499,920	1,053,376	-	428,744,992
- Cost	29,530,816	284,418,331	38,233,706	8,843	75,499,920	1,053,376	-	428,744,992
- Revaluation	-	-	-	-	-	-	-	-

Provision has not yet been made for the estimated costs of restoring refuse landfill sites and borrowing pits due to the uncertainty in determining the estimated cost for rehabilitation.

The Municipality has taken advantage of the transitional provisions set out in GAMAP 17. The Municipality is in the process of itemizing all infrastructure and community assets and will recalculate accumulated depreciation once this exercise has been completed. At present depreciation on these assets is calculated on an avaraging basis whereby an average useful life has been estimated for each category of infrastructure and community assets, using global historical costs recorded in the accounting records. Furthermore, the municipality has not assessed whether items of property, plant and equipment are impaired. It is expected that an assessment of impairments will be done before 30 June 2008.

	2007 R	2006 R
10 INVESTMENTS		
Listed		
Sanlam shares	90,728	90,728
Unlisted		
Investment in Municipal Entities - at cost - Rustenburg Water Services Trust	1,000	1,000
Financial Instruments		
Fixed Deposits	59,587,665	52,161,556
Total Cash Investments	59,587,665	52,161,556
Total Investments	59,679,393	52,253,284

Fixed Deposits of R39 463 178 (2006: R34 232 285) are ring fenced for the purpose of repaying long-term liabilities as set out in note 2.

Market valuation of listed investments		
Sanlam shares	**266,728**	**197,912**
Council's valuation of unlisted investments		
Investment in Municipal Entity: Rustenburg Water Services Trust	**1,000**	**1,000**
Investment in Municipal Entity: Rustenburg Water Services Trust (RWST)		
Percentage owned by Council (%)	100%	100%
Indebtness of Municipal Entities (R)	4,115,610	4,115,610
Dividend received (R)	-	-
Management fees received (R)	-	-
Purification charges paid to RWST	22,852,760	22,415,031
Purified water purchased from RWST	402,400	549,854
Bospoort Purified Potable Water	12,879,824	-

11 LONG-TERM RECEIVABLES		
Consumer debtors transferred to long-term debtors (Wa Wina-project)	**4,315,540**	**3,802,065**
Wa Wina-cost recovery project	124,315,540	130,802,065
Less: Provision for doubtfull debts	(120,000,000)	(127,000,000)
Loans - Sale of Stands	490,358	1,211,220
Vehicle Loans	561,079	2,592,850
Finance lease to Rustenburg Water Services Trust (Municipal Entity)	3,889,679	4,115,610
Individual Housing Building Scheme	73,538	847,289
Rustenburg Water Services Trust	225,931	-
	9,556,125	**12,569,033**
Less : Current portion transferred to current receivables	**(435,725)**	**(1,482,120)**
Loans - Sale of Stands	(28,082)	(354,538)
Vehicle Loans	(340,875)	(856,682)
Wa Wina consumer debtors	-	-
Individual Housing Building Scheme	(66,768)	(270,900)
Total Receivables	**9,120,400**	**11,086,913**

LOANS TO MUNICIPAL ENTITIES

No new loans were made to the municipal entity.

CAR LOANS

Senior staff was previously entitled to car loans which attract interest between 8% and 16% per annum and which are repayable over a maximum period of 6 years. No new loans were granted since the implementation of the MFMA on 1 July 2004.

HOUSING SCHEME LOANS

Housing loans were granted to qualifying individuals in terms of the provincial administrations housing programme. These loans attract interest of 13,5% per annum and are repayable over 20 years.

	2007 R	2006 R
12 INVENTORY		
Consumable stores – at cost	428,700	269,527
Maintenance materials – at cost	9,491,386	7,986,125
Spare parts – at net realisable value	109,039	78,787
Protective clothing - at cost	93,831	
Water – at cost	199,640	243,126
Other goods held for resale – at cost	-	214,548
Unsold properties held for resale – at net realisable value	2,654,092	32,574,167
Total Inventory	**12,976,689**	**41,366,279**

The infrastructure portion of unsold properties held for resale was capitalized in accordance with the prescribed accounting standard. See note 27 for further detail.

13 CONSUMER DEBTORS

	Gross Balances	Provision for Bad debts	Net Balances
As at 30 June 2007			
Service debtors	**713,897,489**	**552,006,911**	**161,890,578**
Rates	82,627,165	63,889,798	18,737,367
Electricity	85,814,473	66,354,320	19,460,153
Water	239,065,727	184,852,777	54,212,950
Refuse	80,238,408	62,042,739	18,195,669
Sewerage	66,796,933	51,649,388	15,147,545
Other	159,354,783	123,217,889	36,136,894
Housing rentals	2,092,636	1,618,089	474,547
Total	**715,990,125**	**553,625,000**	**162,365,125**
Consumer debtors are disclosed as follows on the face of the Statement of Financial Position:			
Consumer debtors	591,674,585	433,625,000	158,049,585
Long-term consumer debtors(Wa Wina)	124,315,540	120,000,000	4,315,540
	715,990,125	**553,625,000**	**162,365,125**
As at 30 June 2006			
Service debtors	**570,883,507**	**450,894,966**	119,988,541
Rates	74,156,062	58,569,910	15,586,152
Electricity	70,181,505	55,430,726	14,750,779
Water	178,380,031	140,888,039	37,491,992
Refuse	68,910,450	54,426,822	14,483,628
Sewerage	55,408,830	43,762,978	11,645,852
Other	123,846,629	97,816,491	26,030,138
Housing rentals	1,841,431	1,454,398	387,033
Total	**572,724,938**	**452,349,364**	**120,375,574**
Consumer debtors are disclosed as follows on the face of the Statement of Financial Position:			
Consumer debtors	441,922,873	325,349,364	116,573,509
Long-term consumer debtors(Wa Wina)	130,802,065	127,000,000	3,802,065
	572,724,938	**452,349,364**	**120,375,574**

	2007 R	2006 R
Consumer debtors: Ageing		
Current (0 – 30 days)	87,954,341	64,325,052
31 - 60 Days	37,780,888	31,184,340
61 - 90 Days	25,152,184	12,469,637
91 - 120 Days	28,219,187	14,875,396
121 - 150 Days	17,208,076	12,378,764
+ 150 Days	395,359,909	306,621,946
Wa wina debtors	124,315,540	130,869,803
Total	**715,990,125**	**572,724,938**
Rates: Ageing		
Current (0 – 30 days)	6,898,635	6,562,246
31 - 60 Days	4,057,133	3,607,358
61 - 90 Days	2,561,268	2,301,259
91 - 120 Days	2,306,624	2,566,796
121 - 150 Days	2,210,059	1,913,382
+ 150 Days	49,581,642	41,359,180
Wa wina debtors	15,011,803	15,845,841
Total	**82,627,164**	**74,156,062**
(Electricity, Water, Sewerage, refuse and other): Ageing		
Current (0 – 30 days)	81,055,706	57,651,749
31 - 60 Days	33,610,449	27,529,811
61 - 90 Days	22,529,698	10,128,380
91 - 120 Days	25,861,099	12,263,982
121 - 150 Days	14,936,594	10,431,607
+ 150 Days	343,973,042	263,697,954
Wa wina debtors	109,303,737	115,023,962
Total	**631,270,325**	**496,727,445**
Housing rentals: Ageing		
Current (0 – 30 days)	-	111,057
31 - 60 Days	113,306	47,171
61 - 90 Days	61,218	39,998
91 - 120 Days	51,464	44,618
121 - 150 Days	61,423	33,775
+ 150 Days	1,805,225	1,564,812
Wa wina debtors	-	-
Total	**2,092,636**	**1,841,431**
Reconciliation of the bad debt provision		
Balance at beginning of the year	452,349,364	397,349,364
Contributions to provision	101,275,636	55,000,000
Bad debts written off against provision	-	-
Reversal of provision	-	-
Balance at end of year	**553,625,000**	**452,349,364**

Bad debts to the amount of R 6 571 333 (2006: R 5 908 807) was written off during the year.

		2007 R	2006 R
14	**OTHER DEBTORS**		
	Grant Debtors - Capital Projects	7,543,615	22,537,450
	Study Loans to employees	486,555	552,827
	Housing Grants Receivable	-	-
	DBSA Funds	-	-
	Austrian Government - Capital Projects: Lethabong	1,827,394	1,827,394
	Interest Receivable	2,659,041	1,670,875
	CMIP labour Intesive Project	-	-
	Magalies Water	-	-
	Bridging Finance - Housing Projects	-	-
	Bojanala Platinum District Municipality	-	-
	CMIP Debtor	-	-
	Suspense debtors	906,194	2,184,500
	Total Other Debtors	**13,422,799**	**28,773,045**
15	**SHORT-TERM FIXED DEPOSITS**		
	- ABSA	50,000,000	80,000,000
	- Nedbank	50,000,000	80,000,000
	- First National Bank	100,000,000	75,000,000
	- Sanlam	24,600,125	22,697,754
	- ABSA - Guarantee deposit	590,000	590,000
	- Kagiso Asset Management	24,403,955	22,546,175
	- Standard Bank	80,000,000	40,000,000
		329,594,080	**320,833,929**
	Interest earned varied from 6% to 9.45% during the year.		
16	**BANK, CASH AND OVERDRAFT BALANCES**		
16.1	**Current Account (Primary Bank Account)**		
	ABSA, Rustenburg branch		
	Account number: 1220 000 458		
	Cash book balance at beginning of year	48,456,683	8,996,764
	Cash book balance at end of year	90,411,313	48,456,683
	Bank statement balance at beginning of year	81,993,256	32,634,255
	Bank statement balance at end of year	106,732,049	81,993,256
	The Municipality does not have any overdraft facilities.		
16.2	**Housing Development Account**		
	ABSA, Rustenburg branch		
	Account number: 405 461 7192		
	Cash book balance at beginning of year	21,206,334	48,685,510
	Cash book balance at end of year	55,513,999	21,206,334
	Bank statement balance at beginning of year	39,020,747	49,776,722
	Bank statement balance at end of year	63,870,481	39,020,747
16.3	**2010 FIFA World Soccer Bank account**		
	ABSA, Rustenburg branch		
	Account number: 40-6760-2132		
	Cash book balance at beginning of year	-	-
	Cash book balance at end of year	4,057,991	-
	Bank statement balance at beginning of year	-	-
	Bank statement balance at end of year	4,057,991	-
	Bank and cash balances at end of year:		
	- Bank balances as disclosed above	149,983,303	69,663,017
	- Cash on hand	25,460	17,314
		150,008,763	**69,680,331**

	2007 R	2006 R
17 PROPERTY RATES		
Actual		
Residential	49,499,107	45,907,719
Commercial	31,834,129	28,860,000
Agricultural	1,795,643	1,571,000
State	3,612,876	3,374,000
Total Assessment Rates	**86,741,755**	**79,712,719**
Property Valuations: Site values only	*June 2007*	*June 2006*
Residential	1,252,084,951	1,152,238,652
Commercial	415,246,800	377,636,200
Industrial	30,852,000	-
Municipal	7,487,300	8,626,000
Agricultural	300,649,164	203,425,000
State	184,155,220	123,803,000
Churches	389,000	-
Educational	3,381,900	-
Total Property Valuations: Sites	**2,194,246,335**	**1,865,928,852**

Valuations on land and buildings are performed every four years. The last valuation came into effect on 1 October 2003 and will be effective until 30 June 2007. Interim valuations are processed on a quarterly basis to take into account changes in individual property values due to alterations and subdivisions. A general rate of 4.10 cent (2006: 3,89 cent) in the rand on land value only is applied to property valuations to determine assessment rates. Rebates of between 20% and 40% is given to pensioners depending on their gross monthly income. The comparative amounts did not previously include the site values of industrial, church and educational sites.

18 SERVICE CHARGES		
Sale of electricity	429,561,802	391,568,748
Sale of water	156,766,400	115,855,777
Refuse removal	32,812,337	29,984,591
Sewerage and sanitation charges	33,593,003	27,963,732
Other		-
Total Service Charges	**652,733,542**	**565,372,848**
19 GOVERNMENT GRANTS AND SUBSIDIES		
- From organs of the State on National level		
Equitable share	87,838,527	76,937,238
Provincial health subsidies	542,000	1,542,910
MIG Grant	41,317,711	62,582,229
Housing project grants	130,568,960	103,227,205
Skills levy	818,026	1,683,295
Department of Water Affairs and Forestry	500,000	1,397,200
Department of Minerals & Energy	5,189,414	2,389,760
Municipal Infrastructure Grant for PMU	1,630,444	2,142,000
Integrated Development Grant	-	136,943
Finance Management Grant	866,685	809,547
Library	-	410,691
Seta: EPWP training	1,447,555	639,000
Department of Sports, Arts & Culture	2,950	309,932
IMMIS grant	88,725	-
Municipal Systems Improvement Grant	190,965	-
- From organs of the State on Provincial Level		
Pedestrian Hazardous Locations grant	-	390,570
Local Government Support Grant	-	88,860
Library, Information & Educational network	-	-
Health Service subsidy/grant	-	-
Kanana Building for Sport and Recreation Programme	105,821	-
CBD Study grant: LED	36,920	-
Revenue Enhancement	-	1,086,280
Fire and Emergency	1,421,123	300,000
Intergovernmental Grant(DSAC)	-	340,068
NWPLG - Motor bikes (Traffic)	-	1,499,318

	2007 R	2006 R
- Private grants/subsidies		
Development of Communications Strategy: BPDM	16,523	103,477
DBSA - City Development Agency	571,827	299,991
Library, Information & Educational network: Mines	395,764	259,505
Business Advice Centre: Anglo Platinum	86768	-
Tribal authority grant	0	3,458,161
Mines	75,000	-
- From other municipalities		
Local Government SETA: ABET	110,610	
BPDM	15,126,181	21,229,918
BPDM - Cascading of PMS	-	300,000
Other	2,014,589	3,345
		-
Total Government Grant and Subsidies	**290,965,088**	**283,567,443**

The municipality has complied with all the conditions set by the transferring organ of State or the conditions set by the other institutions who made allocations to the municipality.
The unspent portion of conditional allocations are disclosed as unspent conditional grants on the face value of the Statement of Financial Position of the municipality.
R35,8 million destined for the municipality in terms of the Division of Revenue Act were stopped during the financial year due to significant under expenditure on the Municipal Infrastructre Grant. Refer to Government Notice No. 29755 dated 29 March 2007.

19.1 Equitable Share

In terms of the Constitution, this grant is used to subsidise the provision of basic services to indigent community members. All registered indigents receive a monthly subsidy of R333 if the household income is below R840 per month. If household income is more then R840 but less than R1680 per month, only 50% of the subsidy is allocated to the indigent household.

19.2 Provincial Health Subsidies

Balance unspent at beginning of year		
Current year receipts - included in public health vote		-
Conditions met - transferred to revenue	542,000	1,542,910
Conditions still to be met - transferred to liabilities (see note 7)	(542,000)	(1,542,910)
	-	

The Municipality renders health services on behalf of the Provincial Government and is only refunded approximately 25% of total expenditure incurred. This grant has been used exclusively to fund clinic services.

19.3 MIG Grant

Balance unspent at beginning of year	17,235,480	21,920,112
Current year receipts	41,317,711	57,897,597
projects	(13,555,210)	
Conditions met - transferred to revenue	(39,308,847)	(62,582,229)
note 7)	**5,689,134**	**17,235,480**

development. R 35 820 000 was stopped due to under

Municipality

Balance unspent at beginning of year	10,077,326	2,240,714
Current year receipts	12,704,940	29,855,217
Conditions met - transferred to revenue	(16,643,254)	(22,018,605)
note 7)	**6,139,012**	**10,077,326**

19.5 Changes in levels of government grants

Based on the allocations set out in the latest Division of Revenue Act, no significant changes in the level of government grant funding are expected over the forthcoming 3 financial years.

	2007 R	2006 R
20 OTHER INCOME		
Service connections	7,743,434	9,180,107
Rent: Kloof Holiday Resort	1,401,001	1,511,461
Engineering services contributions	-	2,806,469
Reconnection fees	3,746,680	-
Telephone fees recovered	541,821	-
Recoverable expenditure	4,523,661	4,679,205
Other	5,886,714	6,125,138
Total Other Income	**23,845,311**	**24,302,380**
21 EMPLOYEE RELATED COSTS		
Employee related costs - Salaries and Wages	112,212,629	101,755,124
pensions and medical aids	31,435,726	29,722,434
other allowances	7,561,337	7,237,524
Housing benefits and allowances	1,848,197	1,699,682
Overtime payments	8,831,748	6,129,688
Annual bonus	8,791,924	7,549,008
Other	2,194,985	2,385,208
Less: Employee costs capitalised to Property, Plant and Equipment	(2,737,545)	(1,595,335)
Less: Employee costs included in other expenses	(2,303,405)	(2,110,187)
Total Employee Related Costs	**167,835,596**	**152,773,146**

There were no new advances to employees. Loans to employees are set out in note 14.

Remuneration of the Municipal Manager		
Annual Remuneration	526,637	628,692
Performance bonus	99,670	-
Car Allowance	52,000	78,000
Contributions to UIF, Medical and Pension Funds	7,862	123,889
Settlement Amount: E. Matlawe	400,000	-
Accumulated leave paid out	175,634	-
Total	**1,261,803**	**830,581**
Remuneration of the Chief Finance Officer		
Annual Remuneration	699,000	517,772
Performance Bonuses	86,670	-
Car Allowance	72,000	72,000
Contributions to UIF, Medical and Pension Funds	8,652	132,475
Total	**866,322**	**722,247**

Remuneration of Individual Executive Directors

30 June 2007	Local Economic Development	Public Safety	Infrastructure Development	Planning & Development	Corporate Services	Community Services
Annual Remuneration	196,857	488,035	575,290	508,056	738,942	496,023
Performance Bonuses	-	51,807	79,469	-	79,469	65,201
Travel Allowance	28,000	84,000	71,500	99,000	100,000	84,000
Contributions to UIF, Medical and Pension Funds	2,557	7,096	7,882	6,612	10,006	7,259
Settlement amount	-	-	120,000	-	-	-
Leave paid out	-	55,951	86,073	-	43,310	-
Acting allowance	-	-	-	-	120,799	16,564
Total	**227,414**	**686,889**	**940,214**	**613,668**	**1,092,526**	**669,047**

30 June 2006	Local Economic Development	Public Safety	Infrastructure Development	Planning & Development	Corporate Services	Community Services
Annual Remuneration	-	317,989	582,843	196,932	471,383	338,831
Performance Bonuses	-	-	-	-	-	-
Car Allowance	-	84,000	78,000	28,000	84,000	84,000
Medical and pension funds	-	137,666	1,400	15,285	106,860	120,516
Total	**-**	**539,655**	**662,243**	**240,217**	**662,243**	**543,347**

	2007 R	2006 R
22 REMUNERATION OF COUNCILLORS		
Executive Mayor	470,928	814,000
Speaker	437,901	590,000
Mayoral Committee Members	2,966,974	3,004,000
Councillors	8,318,622	6,171,906
Councillors' pension contribution	1,114,024	1,027,000
Total Councillors' Remuneration	**13,308,449**	**11,606,906**

In-kind Benefits

The Executive Mayor, Speaker and Mayoral Committee Members are full-time. Each is provided with an office and secretarial support at the cost of the Council.

The Executive Mayor is entitled to stay at the mayoral residence owned by Council at no cost. The Executive Mayor has use of a Council owned vehicle for official duties and has a full time driver and body guard. The Executive Mayor further has access to a budget of R250 000 per annum to be utilized as he deems fit.

The Executive Mayor, Speaker, Chief Whip and members of the Mayoral Committee have all access to an entertainment facility of R 12 000 per annum.

23 INTEREST PAID		
Long-term liabilities	**12,939,220**	**11,007,869**
24 BULK PURCHASES		
Electricity : Other consumers	128,188,646	110,604,755
Electricity: Bulk Consumer	197,008,477	192,964,756
Water	89,747,800	74,658,728
Total Bulk Purchases	**414,944,923**	**378,228,239**
25 GRANTS AND SUBSIDIES PAID		
Grant paid to SPCA	90,000	90,000
Grant to Rustenburg Municipality: Sport and Recreation Club	49,400	-
Grant to Bessie Mpelegele Ngwana - Childrens Home	6,307	-
Sundry grants	15,960	1,200
Total Grants and Subsidies	**161,667**	**91,200**

The subsidy to the SPCA is to assist this registered charity to undertake its tasks.

The grant to Bessie Mpelegele Ngwana is to support physically challenged children.

26 GENERAL EXPENSES		
Included in general expenses is the cost incurred on replacing the following:-		
Material losses due to:		
- Electricity cable theft	-	600,000
- Theft of electricity transformers in rural areas	400,000	400,000
- New Republic Bank (NRB) investment written off	65,538	-
	465,538	1,000,000

The above risks were not covered under the insurance scheme of Council.
Receivership) was adjusted downwards to make

27 CHANGE IN ACCOUNTING POLICY - IMPLEMENTATION OF GAMAP

The following adjustments were made to amounts previously reported in the annual financial statements of the Municipality arising from the implementation and fine-tuning of GAMAP:

27.1 Statutory Funds

Balance previously reported: -		
Bursary Loan Fund		1,277,634
Consolidated Loans Fund		8,841,591
Development of parking		12,068,257
Endowment Fund		45,654,493
Land Development Suspense Account		110,823,988
Land Trust Fund		150,354,391
Town Planning Fund		2,407,250
Total	-	**331,427,604**

	2007 R	2006 R
Implementation of GAMAP		
Transferred to the Capital Replacement Reserve		243,840,860
DAS Funding Of assets		67,300,952
Non Capital items		5,864,557
Transferred to Accumulated Surplus from Capitalization Reser		14,421,235
Total	-	**331,427,604**
27.2 Loans Redeemed and Other Capital Receipts		
Balance previously reported	-	**862,634,784**
Implementation of GAMAP		
Transferred to Government Grant Reserve		201,001,402
Transferred to Donations and Public Contribution Reserve		13,348,710
Accumulated depreciation - Transfer from CRR		340,700,917
Capatilisation		307,583,755
Total	-	**862,634,783**
27.3 Provisions and Reserves		
Balance previously reported		
Election Fund		1,001,293
Maintenance		221,000
Hartbeesfonteinconnection: Water		128,497
Mayoral Bursary Fund		11,000
Capacity building & Training fund		88,468
Total	-	**1,450,258**
Implementation of GAMAP		
Transferred to Accumulated Surplus/(Deficit)	-	**1,450,258**
27.4 Inventory		
Balance previously reported	41,366,279	7,088,665
Implementation of GAMAP		
Transferred to Accumulated Surplus/(Deficit)		
Town development suspense transferred to stock		41,998,628
Water previously expensed now shown as inventory		214,548
Write-down of unsold properties to realisable value		(34,408,366)
Capitalized to infrastructure assets(see note on Appendix E(2) and note 27.6 below)	(48,593,965)	
Net selling price transferred to Accumulated surplus(see Statement of net changes and note	19,284,218	
Total: Restated stock value on 1 July 2007	**12,056,532**	**14,893,475**
27.5 Non-current provisions		
Balance previously reported	-	-
Implementation of GAMAP		
Transferred from Accumulated Surplus/(Deficit)		
Long-service		4,159,153
Total	-	**4,159,153**
27.6 Property, plant and equipment		
Balance previously reported	623,760,809	**968,729,622**
Implementation of GAMAP		
Capitalization of infrastructure-internal services - previously disclosed as stock (See note 27.4 above)	48,593,965	
Unbundling of Town Development Suspense	-	(41,998,628)
Assets written of as non-capital	-	(5,927,448)
Total: Restated balance on 1 July 2007	**672,354,774**	**920,803,546**
27.7 Accumulated Depreciation		
Balance previously reported		-
Implementation of GAMAP		
Backlog depreciation: Land and buildings		25,219,359
Backlog depreciation: Infrastructure		227,075,304
Backlog depreciation: Community		32,173,751
Backlog depreciation: Heritage		6,344
Backlog depreciation: Other		55,370,739
Backlog depreciation: Housing Development Fund		855,420
Total (debited to Accumulated Surplus/(Deficit))	-	**340,700,917**

	2007 R	2006 R
27.8 Accumulated Surplus/(Deficit)		
Implementation of GAMAP		
Adjustments to inventory		7,804,810
Excessive provisions and reserves no longer permitted		1,450,258
Contributions/transfers in 2004/05 not permitted		70,025,784
Transferred from statutory funds		14,421,235
Transferred from Loans Redeemed and Other Capital Receipts previously not recorded		-
Backlog depreciation		-
Total	-	(42,213,731)
		51,488,356
27.9 Correction of error: Accumulated Surplus		
Balance previously reported: 30 June 2006		
- Net correction of previous year results	64,747,345	
- Contribution of net profit on sale of stands transferred from inventory	3,940,214	
- Off-setting of depreciation on assets funded from CR not done in 2005/06	(19,284,218)	
Restated balance of Accumulated Surplus: 1 July 2006	36,383,085	
(See Statement of Net Changes and notes 27.4 and 27.6 above)	**85,786,426**	-
28 CASH GENERATED BY OPERATIONS		
Surplus for the year	125,265,141	(25,509,709)
Adjustment for:-		
Depreciation	64,777,602	51,135,395
Loss / (Gain) on disposal of property, plant and equipment	(7,329,948)	4,641,625
Contribution to/from provisions - non-current	(73,248,348)	13,445,897
Contribution to/from provisions – current	-	4,159,153
Contribution to bad debt provision	101,275,636	55,000,000
Investment income	(74,778,125)	(48,591,892)
Interest paid	12,939,220	11,007,869
Operating surplus before working capital changes:	**148,901,178**	**65,288,338**
Decrease in inventories	28,389,590	(34,277,614)
(Increase)/decrease in debtors	(41,476,076)	(13,540,183)
(Increase)/decrease in other debtors	15,350,247	13,678,918
(Decrease)/increase in conditional grants and receipts	(11,761,623)	39,789,465
Increase in creditors	31,081,412	(10,589,432)
Decrease in provisions	74,224	4,159,153
Increase in VAT	11,990,234	(8,048,758)
Cash generated by/(utilised in) operations	**182,549,186**	**56,459,886**
29 CASH AND CASH EQUIVALENTS		
Cash and cash equivalents included in the cash flow statement comprise the following statement of amounts indicating financial position :		
Bank balances and cash	150,008,763	69,680,331
Call investment deposits	329,594,080	320,833,929
Total cash and cash equivalents	**479,602,843**	**390,514,260**
30 UTILISATION OF LONG-TERM LIABILITIES RECONCILIATION		
Long-term liabilities	108,361,037	89,475,818
Used to finance property, plant and equipment – at cost	112,651,557	92,651,557
Sub- total	(4,290,520)	(3,175,739)
Cash set aside for the repayment of long-term liabilities	39,483,178	34,232,285
Cash invested for repayment of long-term liabilities	**35,192,658**	**31,056,546**

31 UNAUTHORISED, IRREGULAR, FRUITLESS AND WASTEFUL EXPENDITURE

31.1 **Unauthorized expenditure**

-2007

No known material unauthorized expenditure were incurred or disallowed during the year under review.

	2007 R	2006 R

-2006

On the face value of Appendix E1 it appears that the municipality exceeded budgeted expenditure. However, should the GAMAP/GRAP related disclosure be eliminated from the expenditure, the actual expenditure is within the budgeted expenditure. The municipality did not budget for the changes as a result of GAMAP/GRAP.There is therefor no unauthorized expenditure

31.2 **Fruitless and wasteful expenditure**

-2007

No known material unauthorized expenditure were incurred or disallowed during the year under review.

-2006

(a) Penalty and interest on VAT output on sale of stands -R907 147

The expenses are not recoverable and have been written off against the TDS account. It is regarded as a bona fide error and no specific official is held accountable for the expenditure incurred as a result of the incorrect handling of VAT output.

(b) Penalty on late payment of vehicle license fees to North West Province

The extent of the loss has not yet been determined and has been referred to Internal Audit for investigation.

32 ADDITIONAL DISCLOSURES IN TERMS OF MUNICIPAL FINANCE MANAGEMENT ACT

32.1 Contributions to organized local government

Opening balance	-	834,238
Council subscriptions - this year and previous years amount in dispute	1,325,912	688,312
Amount paid - current year	(652,449)	(688,312)
Amount paid - previous years	(673,463)	(834,238)
Balance unpaid	-	-

R673 463 was paid in 2006/07 to SALGA following agreement on disputed levies of the past.
As a result of the dispute, the amount in dispute was not provided as payable in previous years.
It is disclosed as a previous year adjustment on the Statement of changes in net assets.

32.2 Audit fees

Opening balance	44,093	-
Current year audit fee (Interim audit/planning for 2006/07)	-	44,093
Audit fee charged: previous years	1,299,493	1,818,977
Amount paid - current year	-	-
Amount paid - previous years (2005/06)	(1,343,586)	(1,818,977)
Balance unpaid (included in creditors)	-	44,093

32.3 VAT

Nett VAT payable are disclosed in note 8. All VAT returns have been submitted by the due date throughout the year.

32.4 PAYE & UIF

Opening balance	-	-
Current year payroll deductions & Council Contribution	19,473,219	18,233,151
Amount paid - current year	(19,473,219)	(18,233,151)
Amount paid - previous years		
Balance unpaid (included in creditors)	-	-

32.5 Other levies paid

Skills development levy	1,378,362	1,065,555
Regional establishment levy	-	318,876
Regional services levy	-	329,906
Motor vehicle license fees collected and paid over to NWPLG	28,310,401	22,081,900
	29,688,763	**23,796,237**

	2007 R	2006 R
32.6 **Pension and Medical Aid Deductions**		
Opening balance	-	-
Current year payroll deductions and Council Contributions	48,805,152	45,288,051
Amount paid - current year	(48,805,152)	(45,288,051)
Amount paid - previous years		
Balance unpaid (included in creditors)	-	-

32.7 **Councillor's arrear consumer accounts**
The following Councillors had arrear accounts outstanding for more than 90 days as at:

30 June 2007	Total	Outstanding less than 90 days	Outstanding more than 90 days (excluding Wa Wina)	Wa Wina
Lebotse MN	3,983	338	3,645	-
Molefe JL	482	207	53	222
Mabe TA	449	449	-	-
Marekoa BB	2,229	255	1,974	-
Mokowe NE	24,604	499	10,938	13,167
Motswadi BP	283	283	-	-
Mpengu ML	22,976	777	18,691	3,508
Ngqobo LB	8,527	527	4,694	3,306
Nonovi NA	43,371	1,215	27,003	15,153
Nxmalo J	337	297	40	-
Nxmalo J	727	296	431	-
Phiri JM	18,736	598	9,967	8,171
Pilane JM	836	11	825	-
Seduke NE	5,125	842	4,283	-
	132,665	6,594	82,544	43,527

30 June 2006	Total	Outstanding less than 90 days	Outstanding more than 90 days
Beukes E	6,610	1,973	4,637
Grove I.A.	252	252	-
Lebotse M.N	806	432	374
Maboa T.J	14,110	734	13,375
Marekoa B.B	1,045	719	325
Mashishi J.I	141	34	107
Mmusa E.M	2,210	300	1,909
Mokoma L.M	3,440	647	2,793
Mokowe N.E	22,935	611	22,324
Motsi S.I	4,589	402	4,186
Motswadi B.P	198	198	-
Mpengu M.L	18,184	1,056	17,128
Ngqobo L.B	8,114	344	7,770
Nonovi N.A	32,462	1,495	30,967
Phiri J.M	18,888	777	18,111
Pilane D.T	2,971	38	2,933
Pule S.J	586	313	273
Segale M	350	350	-
Sematu A.s	1,075	535	539
Smith D.S	231	119	112
Tsagae L.M	431	31	400
Total Councillor Arrear Consumer Accounts	139,626	11,362	128,264

	2007 R	2006 R
33 CAPITAL COMMITMENTS		
Commitments in respect of capital expenditure:		
- Approved and contracted for	82,497,889	24,927,718
Water	45,772,091	
Electricity	-	
Community	7,656,695	
Roads and Stormwater	860,884	
Sanitation	28,208,219	
	-	
- Approved but not yet contracted for	64,667,417	39,493,610
Water	7,913,599	
Electricity	7,706,906	
Community	1,360,600	
Local Economic Development	3,616,784	
Waste Management	16,971,140	
Roads and Stormwater	20,116,856	
Sanitation	6,981,532	
Total	**147,165,306**	**64,421,328**
This expenditure will be financed from:		
- External Loans	-	300,361
- Capital Replacement Reserve	74,060,241	13,280,274
- Government Grants	46,842,040	36,374,099
- Own resources	2,022,164	2,022,164
- District Council Grants	14,563,710	12,444,430
- Other	9,677,151	-
	147,165,306	**64,421,328**

34 RETIREMENT BENEFIT INFORMATION

Personnel and Councillors are members of the following funds:
Transvaal Municipal Pension Fund
Municipal Employees Gratuity Fund
Municipal Employees Pension Fund
Municipal Councillors Pension Fund
State Pension Fund (Formally SEBO Pension Fund)

	Valuations		
	Actuarial	Interim	Level
The Municipal Employees Gratuity Fund is a defined benefit plan which is governed by the Pension Fund Act of 1956. The most recent actuarial valuation indicated that the fund was financially sound.	30-Jun-02	30-Jun-04	Fully Funded
The NFMW Retirement Fund is a fixed contribution fund and there is no statutory requirement to do an actuarial valuation.	30-Jun-04	30-Jun-05	Fully Funded
The MEPF is a fixed contribution fund.	28-Feb-02	28-Feb-05	Fully Funded
The MCPF is a fixed contribution fund.	30-Jun-04	30-Jun-05	Fully Funded 104.20%
The JMPF is a fixed contribution fund.	30-Jun-03	31-Dec-04	Not Fully Funded 99.3%

All Councillors and employees belong to the 5 defined benefit retirement funds administered by the Provincial Pension Fund as disclosed above. These funds are subject to a triennial actuarial valuation.

An amount of R21,5 million (2006: R19,1 million) was contributed by Council in respect of Councillor and employees retirement funding. These contributions have been expensed.

	2007 R	2006 R
35 CONTINGENT LIABILITY		
1. Guarantees by Council in respect of bulk electricity supply in Lethabong for sewer purification plant.	590,000	590,000
2. Defamation claim - Case 1404/05	950,000	-
3. Performance bonussus of Municipal Manager, Directors, Unit & Section Managers	1,200,000	712,129
4. CCTV camera systems	2,250,000	2,250,000
5. Pension fund contributions ex Tlhabane officials State Pension Fund	2,000,000	3,000,000
6. Possible cost as a result of legal actions	500,000	2,500,000
7. Future lease payments	802,122	-
	8,292,122	**9,052,129**

1. The guarantees is only payable should there be default in the payment for electricity supplied by ESKOM.

2. The municipality is being sued by a service provider for defamation. The amount disclosed is an estimate should the High Court rule against the municipality. The contingent liability includes legal costs of R300 000.

3. Managers have not yet been assessed in terms of the performance contracts entered into with the municipality. Once assessed, the performance bonusses will be payable.

4. The Municipality disputes the conditions on supply of the CCTV camera system due to alleged non-compliance to the supply chain management system. Legal proceedings have been instituted against the municipality. The supplier removed the cameras in October/November 2006.

5. The contingent liability arises from the difference between municipal pension fund contributions that could be payable by the municipality to the pension fund of employees transferred to the municipality should the municipality be liable to pay a higher contribution. The amount disclosed is an estimate due to uncertainties surrounding the matter.

6. The Municipality is being sued by a personnel member for unfair treatment during the placement process. A court date in the Appelate division of the High Court has not yet been set. The contingent liability includes legal costs of R500 000. This item also provides for legal costs should costs be allocated to the municipality.

7. The remaining payments (18) on a full maintenance lease agreement with L M Wulfsohn Motors (Pty) Ltd on 13 vehicles. The municipality do not have the option to take over ownership of the leased vehicles. There is also a penalty applicable of 24 cents/kilometer should more kilometers be travelled than agreed upon.

36 EVENTS AFTER THE REPORTING DATE

No event after the reporting date took place that could have a material impact on the financial position of the municipality on 30 June 2007 as disclosed in the Financial Statements.

37 COMPARISON WITH THE BUDGET

The comparison of the Municipality's actual financial performance with that budgeted is set out in Annexures E(1) and E(2).

38 DISCLOSURE REQUIREMENTS

The municipality has applied for extension as gazetted by National Treasury in Government Gazette No.30013 of 29 June 2007. annual financial Statements for 2005 and 2006 and has

The municipality has implemented the required standards of GAMAP and GRAP for 2005/06 and has as a result compiled the AFS for 2006/07 on the same basis as in 2005/06. The exemptions granted in the annexure to the Gazette have been complied with, except where it has already been implemented in 2005/06.

APPENDIX A

RUSTENBURG LOCAL MUNICIPALITY
SCHEDULE OF EXTERNAL LOANS AS AT 30 JUNE 2007

EXTERNAL LOANS	Interest rate	Redeemable	Balance at 30 June 2006	Received during the period	Redeemed written off during the period	Balance at 30 June 2007		Carrying Value of Property, Plant & Equip	Other Costs in accordance with the MFMA
LONG-TERM LOANS			R	R	R	R		R	R
- INCA	16.50%	23 April 2009	50,000,000	-	-	50,000,000			
- ABSA - Drawdown 1	11.92%	31 May 2020	19,473,818	-	(590,772)	18,883,046			
- ABSA - Drawdown 2	12.02%	31 May 2021	20,000,000	-	(522,009)	19,477,991			
- ABSA - Drawdown 3	12.14%	31 May 2022	-	20,000,000		20,000,000			
Total long-term loans			**89,473,818**	**20,000,000**	**(1,112,781)**	**108,361,037**			
ANNUITY LOAN									
- Liberty Life	9.50%	30/09/2006	**2,000**	-	**(2,000)**	-			
TOTAL EXTERNAL LOANS			**89,475,818**	**20,000,000**	**(1,114,781)**	**108,361,037**		85,136,683	-

APPENDIX B

RUSTENBURG LOCAL MUNICIPALITY
ANALYSIS OF PROPERTY PLANT AND EQUIPMENT AS AT 30 JUNE 2007

	Cost/Revaluation						Accumulated Depreciation					Carrying Value
	Opening Balance	Reclassification	Additions	Under Construction	Disposals	Closing Balance	Opening Balance	Reclassification	Additions	Disposals	Closing Balance	
Land and Buildings												
Land	28,497,268	(4,605,332)	-	-	-	23,891,936	2,935,755	(2,935,755)	-	-	-	23,891,936
Buildings	100,174,871	(26,144,889)	10,108,275	-	-	84,138,257	38,327,387	(11,398,520)	2,185,610	-	29,114,477	55,023,780
	128,672,139	**(30,750,221)**	**10,108,275**	**-**	**-**	**108,030,193**	**41,263,142**	**(14,334,275)**	**2,185,610**	**-**	**29,114,477**	**78,915,716**
Infrastructure												
Drains	22,011,878		-	-	-	22,011,878	5,342,263		1,097,189	-	6,439,452	15,572,426
Roads	209,942,581	8,943,387	53,579,719	-	-	272,465,687	107,178,888	1,919,313	17,278,750	-	126,376,951	146,088,736
Sewerage Mains & Purif	86,424,878	3,527	10,205,949	-	-	96,634,354	32,653,350	3,002	4,275,496	-	36,931,848	59,702,506
Electricity Mains	229,039,059	(8,946,322)	24,689,651	-	-	244,782,388	83,767,452	(1,919,518)	10,331,306	-	92,179,240	152,603,148
Electricity Peak Load Equip	262,287	(1)	1,940,101	-	-	2,202,387	66,671	(2)	57,248	-	123,917	2,078,470
Water Mains & Purification	184,012,672	(38,087,540)	32,662,573	-	-	178,587,705	61,132,935	(6,489,698)	7,804,318	-	62,447,555	116,140,150
Reservoirs – Water	-	14,012,424	-	-	-	14,012,424	-	2,512,435	700,621		3,213,056	10,799,368
Water Meters	-	10,112,671	-	-	-	10,112,671	-	593,469	642,642		1,236,111	8,876,560
Water Mains	-	13,962,444	-	-	-	13,962,444	-	3,383,793	692,875		4,076,668	9,885,776
	731,693,355	**590**	**123,077,993**	**-**	**-**	**854,771,938**	**290,141,559**	**2,794**	**42,880,445**	**-**	**333,024,798**	**521,747,140**
Community Assets												
Parks & Gardens	11,836,704	(3,707,561)	500,699	-	-	8,629,842	3,669,334	(1,643,501)	272,811	-	2,098,644	6,531,198
Libraries	3,396,839	(1)	325,008	-	-	3,721,846	1,864,778	-	114,118	-	1,978,896	1,742,950
Recreational Grounds	37,976,287	(2,454,164)	1,576,711	-	-	37,098,834	22,452,355	(292,590)	1,787,023	-	23,946,788	13,152,046
Civic Buildings	22,017,551	26,476,313	-	-	-	48,493,864	2,808,759	11,874,090	1,616,462	-	16,299,311	32,194,553
	75,227,381	**20,314,587**	**2,402,418**	**-**	**-**	**97,944,386**	**30,795,226**	**9,737,999**	**3,790,414**	**-**	**44,323,639**	**53,620,747**
Heritage Assets												
Historical Buildings	466,589	(37,474)	-	-	-	429,115	8,843	(8,843)	-	-	-	429,115
	466,589	**(37,474)**	**-**	**-**	**-**	**429,115**	**8,843**	**(8,843)**	**-**	**-**	**-**	**429,115**
Total carried forward	**936,059,464**	**(10,472,518)**	**135,588,686**	**-**	**-**	**1,061,175,632**	**362,208,770**	**(4,602,325)**	**48,856,469**	**-**	**406,462,914**	**654,712,718**

RUSTENBURG LOCAL MUNICIPALITY

APPENDIX B

ANALYSIS OF PROPERTY PLANT AND EQUIPMENT AS AT 30 JUNE 2007 (Continue)

	Cost						Accumulated Depreciation					Carrying Value
	Opening Balance	Reclassification	Additions	Under Construction	Disposals	Closing Balance	Opening Balance	Reclassification	Additions	Disposals	Closing Balance	
Total brought forward	**936,059,464**	**(10,472,518)**	**135,588,686**	-	-	**1,061,175,632**	**362,208,770**	**(4,602,325)**	**48,856,469**	-	**406,462,914**	**654,712,718**
Housing Rental Stock												
Housing Rental	28,432	4,725,061	-	-	-	4,753,493	6,715	1,039,945	143,404	-	1,190,064	3,563,429
	28,432	**4,725,061**	-	-	-	**4,753,493**	**6,715**	**1,039,945**	**143,404**	-	**1,190,064**	**3,563,429**
Leased Assets	-		-	-	-	-	-		-	-	-	-
	-		-	-	-	-	-		-	-	-	-
Other Assets												
Landfill sites	1,144,759		196,466	-	-	1,341,225	339,766	-	38,697	-	378,463	962,762
Office Equipment	4,532,618	(13,300)	4,583,660	-	-	9,102,978	3,414,054	(4,423)	859,885	-	4,269,516	4,833,462
Furniture & Fittings	28,973,058	15,655	18,430,040	-	-	47,418,753	14,048,397	9,620	4,099,503	-	18,157,520	29,261,233
Bins and Containers	1,304,960		117,480	-	-	1,422,440	678,778		138,151	-	816,929	605,511
Emergency Equipment	2,239,092		1,422,981	-	-	3,662,073	862,089		228,035	-	1,090,124	2,571,949
Motor vehicles	37,465,898	(6,608,659)	7,877,048	-	-	38,734,287	22,748,553	(4,667,793)	3,962,773	-	22,043,533	16,690,754
Fire engines	2,149,363		16,640	-	-	2,166,003	729,744		107,537	-	837,281	1,328,722
Refuse tankers	-	1,053,069	-	-	-	1,053,069	-	733,245	54,358	-	787,603	265,466
Computer equipment	9,293,281	11,743	2,618,152	-	-	11,923,176	7,103,319	2,868	840,422	-	7,946,609	3,976,567
Other assets	29,314,876	11,288,949	8,635,356	-	-	49,239,181	16,604,807	7,488,863	5,448,368	-	29,542,038	19,697,143
Conservancy tankers	-		-	-	-	-	-		-	-	-	-
Watercraft	-		-	-	-	-	-		-	-	-	-
	116,417,905	**5,747,457**	**43,897,823**	-	-	**166,063,185**	**66,529,507**	**3,562,380**	**15,777,729**	-	**85,869,616**	**80,193,569**
Total	**1,052,505,801**	-	**179,486,509**	-	-	**1,231,992,310**	**428,744,992**	-	**64,777,602**	-	**493,522,594**	**738,469,716**

RUSTENBURG LOCAL MUNICIPALITY

APPENDIX C

SEGMENTAL ANALYSIS OF PROPERTY, PLANT AND EQUIPMENT AS AT 30 JUNE 2007

	Cost						Accumulated Depreciation					Carrying Value
	Opening Balance	Reclassification	Additions	Under Construction	Disposals	Closing Balance	Opening Balance	Reclassification	Additions	Disposals	Closing Balance	
Executive & Council	8,588,173	(3,214,768)	2,404,225	-	-	7,777,630	1,072,190	279,105	511,890	-	1,863,185	5,914,445
Finance & Admin	40,602,698	(20,296,691)	2,364,125	-	-	22,670,132	21,762,816	(8,194,230)	1,224,804	-	14,793,390	7,876,742
Planning & Development	8,029,659	22,597,243	12,637,138	-	-	43,264,040	1,463,574	11,971,412	1,840,041	-	15,275,027	27,989,013
Health	9,293,889	(725,845)	263,206	-	-	8,831,250	3,709,624	130,775	512,615	-	4,353,014	4,478,236
Community & Social Services	75,960,802	2,167,167	3,699,287	-	-	81,827,256	24,926,569	3,519,644	3,430,315	-	31,876,528	49,950,728
Housing	2,948,808	(2,299)	103,192	-	-	3,049,701	1,523,526	214,913	231,348	-	1,969,787	1,079,914
Public Safety	25,079,720	13,492,228	6,022,946	-	-	44,594,894	7,528,497	2,130,679	3,530,432	-	13,189,608	31,405,286
Sport & Recreation	83,323,526	20,230	3,262,883	-	-	86,606,639	40,653,540	4,293,862	4,576,388	-	49,523,790	37,082,849
Waste Management	20,357,611	48,055,479	5,439,899	-	-	73,852,989	5,592,863	18,408,496	4,745,320	-	28,746,679	45,106,310
Waste Water Management	86,980,651	(48,168,076)	17,856,554	-	-	56,669,129	21,721,156	(12,774,241)	1,838,613	-	10,785,528	45,883,601
Road Transport	282,915,528	(13,688,231)	49,676,481	-	-	318,903,778	125,325,007	12,391,043	19,086,177	-	156,802,227	162,101,551
Water	155,552,926	(265,785)	33,978,661	-	-	189,265,802	43,010,367	6,805,043	8,917,299	-	58,732,709	130,533,093
Electricity	252,878,304	22,854	41,777,912	-	-	294,679,070	79,322,739	11,956,023	14,332,360	-	105,611,122	189,067,948
Other	(6,494)	6,494	-	-	-	-	51,132,524	(51,132,524)	-	-	-	-
TOTAL	**1,052,505,801**	**(0)**	**179,486,509**	**-**	**-**	**1,231,992,310**	**428,744,992**	**-**	**64,777,602**	**-**	**493,522,594**	**738,469,716**

APPENDIX D

RUSTENBURG LOCAL MUNICIPALITY

SEGMENTAL STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2007

2006 Actual Income R	2006 Actual Expenditure R	2006 Surplus/ (Deficit) R		2007 Actual Income R	2007 Actual Expenditure R	2007 Surplus/ (Deficit) R
304,842,333	282,095,882	22,746,451	Executive & Council	363,892,137	166,204,350	197,687,787
53,252,214	61,333,790	(8,081,576)	Finance & Admin	52,185,585	57,321,958	(5,136,373)
9,675,951	13,603,084	(3,927,133)	Planning & Development	11,946,101	20,881,718	(8,935,617)
1,544,187	6,921,642	(5,377,455)	Health	543,251	7,513,456	(6,970,205)
2,378,585	16,512,914	(14,134,329)	Community & Social Services	2,067,203	20,404,557	(18,337,354)
105,148,230	106,270,530	(1,122,300)	Housing	132,428,032	133,764,231	(1,336,199)
5,423,785	37,769,221	(32,345,436)	Public Safety	16,209,492	46,387,266	(30,177,774)
1,734,127	23,395,454	(21,661,327)	Sport & Recreation	1,824,421	27,792,196	(25,967,775)
29,984,591	32,293,868	(2,309,277)	Waste Management	33,225,945	38,428,810	(5,202,865)
27,963,732	35,085,905	(7,122,173)	Waste water management	33,744,781	40,712,242	(6,967,461)
10,317,278	27,965,554	(17,648,276)	Road Transport	465	41,839,271	(41,838,806)
115,855,777	106,857,354	8,998,423	Water	158,229,464	132,669,602	25,559,862
406,062,242	349,587,543	56,474,699	Electricity	441,405,106	388,517,185	52,887,921
1,074,183,032	1,099,692,741	(25,509,709)	Sub Total	1,247,701,983	1,122,436,842	125,265,141
53,972,729	53,972,729	-	Less Inter-Dep Charges	57,076,181	57,076,181	-
1,020,210,303	1,045,720,012	(25,509,709)	Total	1,190,625,802	1,065,360,661	125,265,141
		-	Add: Share of Associate			-
		(25,509,709)	Surplus/(deficit)			125,265,141

RUSTENBURG LOCAL MUNICIPALITY

APPENDIX E(1)

ACTUAL VERSUS BUDGET (REVENUE AND EXPENDITURE) FOR THE YEAR ENDED 30 JUNE 2007

REVENUE	2007 Actual R	2007 Budget R	2007 Variance R	2007 Variance %	Explanation of Significant Variances greater than 10% versus Budget
Property rates (see note 17)	86,741,755	81,500,000	5,241,755	6.4%	Special effort in updating valuation roll resulted in positive variance
Service charges (see note 18)	652,733,542	702,426,270	(49,692,728)	-7.1%	Lower consumption by bulk consumer(R53 million)
Rental of facilities and equipment	39,365,098	10,892,134	28,472,964	261.4%	R35.9 million royalties from Mines compared to budget of R7.4 million
Interest earned - external investments	43,085,501	2,000,000	41,085,501	2054.3%	Result of GRAP - disclosure of interest in Fin.Performance compared to previous capitalization to funds
Interest earned - outstanding debtors	31,692,624	25,310,000	6,382,624	25.2%	Outstanding debtors increased more than budgeted, resulting in more interest charged
Fines	4,340,411	6,733,000	(2,392,589)	-35.5%	Lower traffic fines than budgeted
Licences and permits	4,321,819	4,461,600	(139,781)	-3.1%	
Income from agency services	7,090,589	11,215,000	(4,124,431)	-36.8%	Previous years income on new system resulted in material increase in budget
Government grants and subsidies	290,965,088	106,720,160	184,244,928	172.6%	Housing subsidies(R130 million) and grants for capital expenditure(R59 million) flowing through Statement of Financial Performance
Other income (see note 20)	23,845,311	21,653,921	2,191,390	10.1%	Reconnection fees previously set off against costs now disclosed separatedly
Gains on disposal of property, plant and equipment	7,329,948	3,500,000	3,829,948	109.4%	Profit on sale of stands previously handled under Town Development now disclosed as Income
Less: Income forgone	(885,864)	(6,007,400)	5,121,536	-85.3%	
Total Revenue	**1,190,625,802**	**970,404,685**	**220,221,117**	**22.7%**	
EXPENDITURE					
Executive & Council	166,204,350	124,086,222	(42,118,128)	-33.9%	Additional provision for bad debts of nearly R42 million
Finance & Admin	57,321,958	66,457,516	9,135,558	13.7%	Vacant positions in Finance, termination of debt collection and reconnection fees recovered not set-off against costs
Planning & Development	20,881,718	26,560,218	5,678,500	21.4%	Saving on salaries contributed the biggest portion to the positive variance
Health	7,513,456	8,314,482	801,026	9.6%	
Community & Social Services	20,404,557	22,369,358	1,964,801	8.8%	
Housing	133,784,231	6,542,809	(127,221,422)	-1944.4%	GAMAP implementation resulting in all expenditure flowing through Financial Performance Statement
Public Safety	46,387,266	55,374,105	8,986,839	16.2%	Substantial saving on collection costs on fines, CCTV cameras, security and salaries
Sport & Recreation	27,792,196	30,865,376	3,073,180	10.0%	
Waste Management	38,428,810	43,043,182	4,614,372	10.7%	R2.4 million saving on salaries and saving on repairs and maintenace resulted in the positive variance
Waste Water Management	40,712,242	42,663,746	1,951,504	4.6%	
Road Transport	41,839,271	35,000,484	(6,838,787)	-19.5%	GAMAP/GRAP implementation - under provision of depreciation
Water	132,669,502	131,173,878	(1,495,724)	-1.1%	
Electricity	388,517,185	437,477,570	48,960,385	11.2%	Bulk purchases lower due to lower consumption by bulk consumer
Inter-departmental charges	(57,076,181)	(60,524,261)	(3,448,080)	5.7%	
Total Expenditure	**1,065,360,661**	**970,404,685**	**(94,955,976)**	**-9.8%**	
NET SURPLUS/(DEFICIT) FOR THE YEAR	**125,265,141**	-	**125,265,141**		

APPENDIX E(2)

RUSTENBURG LOCAL MUNICIPALITY

ACTUAL VERSUS BUDGET (ACQUISITION OF PROPERTY, PLANT AND EQUIPMENT) FOR THE YEAR ENDED 30 JUNE 2007

	2006 actual capitalized on 1 July 2006 (Note1)	2007 Actual	2007 Under Construction	2007 Total Additions	2007 Budget	2007 Variance	2007 Variance	Explanation of Significant Variances greater than 5% versus Budget
		R	R	R	R	R	%	
Executive & Council	-	2,585,452	-	2,585,452	3,188,496	603,044	18.9%	Low spending on Regional Community Centers
Finance & Admin	-	3,326,460	-	3,326,460	4,571,788	1,245,328	27.2%	Low spending on Municipal Buildings
Planning & Development	-	6,980,151	-	6,980,151	11,192,745	4,212,594	37.6%	Low spending on land purchases, CBD regeneration and planning fees
Health	-	298,925	-	298,925	404,615	105,690	26.1%	The budgeted partitioning at Karlienpark Hall not implemented
Community & Social Services	-	3,526,279	-	3,526,279	14,702,167	11,175,888	76.0%	Under spending on Thlabane Library, Sunrise Park Hall and Air Conditioning at Civic Centre
Housing	-	103,192	-	103,192	128,898	25,706	19.9%	Vehicles were purchased at lower than budgeted cost
Public Safety	-	6,034,962	-	6,034,962	13,434,287	7,399,325	55.1%	Several budgeted projects not implemented
Environmental Management	-	3,400,883	-	3,400,883	3,311,904	(88,979)	-2.7%	
Sport & Recreation	-	3,306,690	-	3,306,690	10,301,237	6,994,547	67.9%	Several budgeted projects not implemented
Waste Management	-	2,071,098	-	2,071,098	2,967,635	896,537	30.2%	No spending on new depot
Waste Water Management	8,474,190	17,911,221	-	26,385,411	35,326,416	8,941,005	25.3%	Actual expenditure on 15 projects lower than budgeted
Road Transport	19,772,227	24,125,786	-	43,898,013	38,350,238	(5,547,775)	-14.5%	Actual expenditure on 14 projects lower than budgeted
Water	13,305,081	22,106,599	-	35,411,680	52,073,439	16,661,759	32.0%	Actual expenditure on 36 projects lower than budgeted
Electricity	7,042,466	35,114,847	-	42,157,313	42,746,534	589,221	1.4%	Long delivery periods affected 8 projects budgeted to be implemented
Other	-	-	-	-	-	-	0.0%	
TOTAL	**48,593,964**	**130,892,545**	-	**179,486,509**	**232,700,399**	**53,213,890**	**22.9%**	

Note1: These amounts represent infrastructure costs disclosed as stock on 30 June 2006. In light of GAMAP 9 and GAMAP 17, the costs for internal services were excluded from inventory and capitalized. It is treated on the same principles in 2007.

Grant and Subsidies Received

RUSTENBURG LOCAL MUNICIPALITY

DISCLOSURES IN TERMS OF SECTION 123 OF THE MFMA: GRANTS AND SUBSIDIES RECEIVED FOR THE YEAR ENDED 30 JUNE 2007

APPENDIX F

Name of Grant	Name of organ of state or municipal entity	Quarterly receipts					Quarterly expenditure				Delayed and/or withheld	Reason for delay/withholding of funds	Did the municipality comply with the grant conditions as set out in the latest Division of Revenue Act	Reason for non-compliance
		September	December	March	June		September	December	March	June				
Equitable share	DPLG	29,285,365	21,959,632	36,593,530	-	87,838,527	29,285,358	21,959,632	36,593,530	-	No	Not applicable	Yes	N/a
Business Advice Centre	ANGLO	-	-	86,756	-	86,756	77,292	76,211	79,403	120,035	No	Not applicable	Yes	N/a
City Development Agency	DBSA	-	-	571,827	-	571,827	574	550,537	13,687	7,029	No	Not applicable	Yes	N/a
CBD: Study Grant (LED)	DLM	-	-	-	-	-				3,275,100	No	Not applicable	Yes	N/a
Development Of Communication Strategy	DLM	-	36,920	-	-	36,920	-	-	-	-	No	Not applicable	Yes	N/a
IDP Grant	DLM	-	16,523	-	-	16,523	-	-	-	-	No	Not applicable	Yes	N/a
Infrastructure Grants-BPDM	DLM	100,000	141,205	-	-	241,205				241,205	No	Not applicable	Yes	N/a
Department Of Minerals & Energy - DME	DME	-	7,282,409	-	7,628,017	14,887,426	1,468,557	1,945,707	617,990	5,672,686	No	Not applicable	Yes	N/a
Housing	DPLG	-	-	2,950	5,189,414	5,192,364	917,793	178,128	2,811,219	1,482,274	No	Not applicable	Yes	N/a
Financial Management Grant	DPLG	-	-	118,609	-	118,609	-	-	-	-	No	Not applicable	Yes	N/a
Grant:Seta - EPWP Training	DPLG	500,000	190,453	-	175,232	865,685	535,367	984,563	53,650	88,745	No	Not applicable	Yes	N/a
IMMIS Conditional Grant	DPLG	-	1,447,555	-	-	1,447,555	-	-	-	-	No	Not applicable	Yes	N/a
Inter Governmental Grants	DPLG	-	-	-	190,965	190,965	-	-	-	190,965	No	Not applicable	Yes	N/a
Local Government Finance Assistance Grant (NWPG) EX BPDM	DPLG	-	-	-	-	-	6,297	10,468	5,570	135,665	No	Not applicable	Yes	N/a
Local Government Support Grant (NWPG)	DPLG	-	-	-	-	-	-	-	-	61,026	No	Not applicable	Yes	N/a
Municipal Systems Improvement	DPLG	-	-	-	-	-	-	-	-	51,096	No	Not applicable	Yes	N/a
NWPLG - Housing Projects	DPLG	-	-	-	83,728	83,728	83,434	-	-	5,297	No	Not applicable	Yes	N/a
Subsidy Health Service	DPLG	21,542,649	22,927,328	61,716,377	24,263,999	130,450,351	29,234,345	48,753,569	16,700,761	35,761,676	No	Not applicable	Yes	N/a
DWAF: Water &Sanitation Master Plan	DWAF	-	-	-	542,000	542,000	542,000	-	-	-	No	Not applicable	Yes	N/a
Grant: PMU	MIG	-	-	-	500,000	500,000	-	-	-	329,690	No	Not applicable	Yes	N/a
Municipal Infrastructure Grant - MIG	MIG				1,630,444	1,630,444					No	Not applicable	Yes	N/a
Library, Information & Educational Network	Mines	-	16,857,652	-	24,460,059	41,317,711	16,090,502	4,496,408	3,111,247	15,618,720	Yes	Under expenditure	Yes	N/a
Integrated Transport Study	PDT	-	395,764	-	-	395,764	-	236,731	3,962	325,007	No	Not applicable	Yes	N/a
LG Seta	SETA	-	-	1,421,123	-	1,421,123	5,667	-	-	1,414,457	No	Not applicable	Yes	N/a
Skills Levy	SETA	41,580	110,160	-	-	110,160	-	69,300	27,750	-	No	Not applicable	Yes	N/a
Main Library, Books	Standard Bank	-	165,277	316,200	295,877	818,026	341,956	208,901	308,916	696,448	No	Not applicable	Yes	N/a
Kanana - Building for sport and recreation	DPLG	-	-	-	-	-	-	-	-	9,423	No	Not applicable	Yes	N/a
Mines	Mines		105,821			105,821								
			75,000			75,000								
Tribal Authority Grant - TAG	TAG	-	-	-	-	-	69,737	-	-	-	No	Not applicable	Yes	N/a
Umsobomvu Youth Fund	UYF	-	-	-	-	-	56,049	56,049	56,049	75,843	No	Not applicable	Yes	N/a
		51,469,594	71,691,697	100,826,476	64,962,732	288,950,499	78,705,094	79,530,204	60,183,694	68,549,372				